

# NOTICE

**NOTICE** is hereby given that the 56th Annual General Meeting of the Members of Suryalakshmi Cotton Mills Limited will be held on Monday, the 30<sup>th</sup> September, 2019 at 10.30A.M at Rajdhani Hall, Behind LIC & HDFC Bank, Near Paradise Circle (West), S.D. Road, Secunderabad-500003 to transact the following business.

## ORDINARY BUSINESS:

1. To receive, consider and adopt the audited statement of Profit and Loss for the year ended 31st March, 2019 and audited Balance Sheet as on that date and the reports of the Directors and Auditors thereon.
2. To declare dividend on 5% Non-Cum, Preference Shares of the Company for the year ended 31st March, 2019.
3. To declare dividend on 10% Cum, Preference Shares of the Company for the year ended 31st March, 2019.
4. To appoint a Director in place of Sri Paritosh Agarwal, Managing Director (DIN : 00008738) who retires by rotation and who, being eligible, offers himself for reappointment.

## SPECIAL BUSINESS:

**5:** TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS A **SPECIAL RESOLUTION:**

**A. "RESOLVED THAT** the Company do hereby approve and ratify in terms of Section 180 and other applicable provisions if any, of the Companies Act, 2013, the mortgaging / charging by the Board of Directors of the Company (hereinafter referred to as Board) of all the immovable properties of the Company situated at Amanagallu, Ranga Reddy Dist., Jadcherla, Ranga Reddy Dist., Garment Division, Ranga Reddy Dist., Registered Office, Secunderabad all in the state of Telangana, Amravati Unit at Amravati Dist., and Denim Division at Ramtek both in the State of Maharashtra in favour of State Bank of India (SBI), SBI acting for itself and on behalf of IDBI Bank Limited, Andhra Bank, EXIM Bank, AXIS Bank and Lakshmi Vilas Bank Ltd., to secure the Term Loans aggregating to ₹152.53 Crores on FIRST CHARGE PARI PASSU BASIS and working capital facilities aggregating to ₹302.25 Crores on SECOND pari passu charge basis, with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, cost, charges, expenses and other monies, payable by the Company vide its loan agreement(s) entered into by the Company.

PROVIDED that the above mortgage on FIRST PARIPASSU CHARGE BASIS to secure the term loans and on SECOND PARIPASSU CHARGE BASIS to secure the working capital facilities shall rank paripassu with the charges created / to be created.

**"RESOLVED FURTHER THAT** the Company do hereby confirm and ratify the execution of the documents for creation of aforesaid mortgage / charge."

**B. "RESOLVED THAT** the Company do hereby approve / ratify in terms of Section 180 and other applicable provisions if any, of the Companies Act, 2013 the mortgaging and/or charging by the Board of Directors ("Board") of the Company of all the movable and immovable properties of the Company where so ever situate, present and future, of the whole of the undertakings of the Company on FIRST CHARGE BASIS to secure the term loans sanctioned to the Company by its term lenders (Andhra Bank, Axis Bank Limited, Export Import Bank of India, IDBI Bank Limited, The Lakshmi Vilas Bank Ltd, South Indian Bank Limited and State Bank of India are hereinafter referred to as "Term Lenders") (together with a Second Charge on current assets of the Company) and on the entire current assets of the Company on FIRST CHARGE BASIS to secure the working capital loans sanctioned by the Working Capital Lenders (Andhra Bank, IDBI Bank Ltd., The Lakshmi Vilas Bank Ltd., and State Bank of India are hereinafter referred to as "Working Capital Lenders") (together with a Second Charge on the movable and immovable properties of the Company) together with power to take over the management of the business and concern of the Company in certain events to or in favour of SBICAP Trustee Company Limited (SBICAP TRUSTEE), the security trustee acting for the benefit of the Company's Term Lenders and Working Capital Lenders together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, cost, charges, expenses and other monies, payable by the Company vide its loan agreement(s) entered/to be entered into by the Company.

**"RESOLVED FURTHER THAT** the Company do hereby authorize the Board to take all necessary steps for the execution of the documents for creation of the aforesaid mortgage/charge".

**"RESOLVED FURTHER THAT** the Company do hereby confirm and ratify the execution of the documents for creation of aforesaid mortgage / charge."

**6:** TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS A **SPECIAL RESOLUTION:**

**"RESOLVED THAT** subject to the provisions of sections 196, 197, 203 and 152 and other applicable provisions if any of the Companies Act, 2013 read with schedule V thereof and Companies (appointment and remuneration of managerial personnel) rules, 2014 as amended upto date, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and the consent of the Term Lenders, the consent of the Company be and is hereby accorded to the reappointment of Sri L.N.Agarwal (DIN : 00008721) as Chairman and Managing Director for a period of five years from 22.06.2019 to 21.06.2024 on the following terms and conditions :

i. SALARY : ₹5,00,000/- per month

ii. COMMISSION

At the rate of 2% of the Net Profit of the Company or 50% of annual salary whichever is lower.

iii. PERQUISITES

In addition to the salary and commission as stated above Sri L.N.Agarwal shall be entitled to the following perquisites.

#### CATEGORY - A

(i) HOUSING :

Rent free furnished residential accommodation with all facilities and amenities including such services as gas, electricity, water, etc., or HRA to the extent of 30% of the salary.

(ii) MEDICAL REIMBURSEMENT :

Expenses incurred for self and his family subject to a ceiling of one month's salary per year or three months' salary in a period of three years.

(iii) LEAVE TRAVEL CONCESSION :

For self and family once in a year incurred accordance with the Rules of the Company.

(iv) CLUB FEES :

Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

(v) PERSONAL ACCIDENT INSURANCE :

Of an amount the premium of which shall not exceed ₹4,000/- per annum.

#### CATEGORY - B

(i) Contributions by the Company to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.

(ii) Payment of gratuity subject to an amount equal to half a month's salary for each completed year of service.

#### CATEGORY - C

(i) The Company shall provide a Car with driver and a telephone at the residence.

(ii) Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

**"RESOLVED FURTHER THAT** in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time, the Company do hereby ratify the aforesaid remuneration paid to Sri L.N.Agarwal, Chairman and Managing Director for the period 01/04/2019 to 21/06/2019."

**"RESOLVED FURTHER THAT** in the absence of or inadequacy of profits in any year Sri L.N.Agarwal be paid the above remuneration as minimum remuneration subject to provisions of Schedule V of the Companies Act, 2013."

**7:** TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS A **SPECIAL RESOLUTION:**

**"RESOLVED THAT** subject to the provisions of sections 196, 197, 203 and 152 and other applicable provisions if any of the Companies Act, 2013 read with schedule V thereof and Companies (appointment and remuneration of managerial personnel) rules, 2014 as amended upto date, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and the consent of the Term Lenders, the consent of the Company be and is hereby accorded to the re-appointment of Smt. Padmini Agarwal (DIN : 01652449) as Whole time Director liable to retire by rotation for a period of 5 years i.e. from 27/05/2019 to 26/05/2024 on the following terms of remuneration :

a) Basic Pay and Allowances at ₹3,00,000/- per month.

#### PERQUISITES

In addition to the salary as stated above Smt. Padmini Agarwal shall be entitled to the following perquisites.

**CATEGORY - A**

## (i) HOUSING :

Rent free furnished residential accommodation with all facilities and amenities including such services as gas, electricity, water, etc., or HRA to the extent of 30% of the salary.

## (ii) MEDICAL REIMBURSEMENT :

Expenses incurred for self and her family subject to a ceiling of one month's salary per year or three months' salary in a period of three years.

## (iii) LEAVE TRAVEL CONCESSION :

For self and family once in a year incurred accordance with the Rules of the Company.

## (iv) CLUB FEES :

Fees of clubs subject to a maximum of two clubs, admission and life membership fees not being allowed.

## (v) PERSONAL ACCIDENT INSURANCE :

Of an amount the premium of which shall not exceed ₹4,000/- per annum.

**CATEGORY - B**

(i) Contributions by the Company to Provident Fund, Superannuation Fund or Annuity Fund as per the rules of the Company.

(ii) Payment of gratuity subject to an amount equal to half a month's salary for each completed year of service.

**CATEGORY - C**

(i) The Company shall provide a Car with driver and a telephone at the residence.

(ii) Car for use on Company's business and telephone and other communication facilities at residence will not be considered as perquisites.

**"RESOLVED FURTHER THAT** Smt.Padmini Agarwal when reappointed as Whole-time Director immediately on retirement by rotation, shall continue to hold her office of Director and such reappointment shall not be deemed to constitute a break in her appointment as Whole-time Director of Garments Division."

**"RESOLVED FURTHER THAT** in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time, the

Company do hereby ratify the aforesaid remuneration paid to Smt. Padmini Agarwal, Whole-time Director for the period 01/04/2019 to 26/05/2019."

**"RESOLVED FURTHER THAT** in the absence of or inadequacy of profits in any year Smt.Padmini Agarwal be paid the above remuneration as minimum remuneration subject to provisions of Schedule V of the Companies Act, 2013."

**8: TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS A SPECIAL RESOLUTION:**

**"RESOLVED THAT** the consent of the Company be and is hereby accorded in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time to continue payment of the remuneration to Sri Paritosh Agarwal, Managing Director (DIN:00008728) as set out in the resolution passed by the members of the Company in the Annual General Meeting held on 28/07/2016 till the end of his term of employment i.e., until 20/06/2020."

**"RESOLVED FURTHER THAT** the Company do hereby confirm and ratify the payment of the remuneration to Sri Paritosh Agarwal, Managing Director set out in the resolution of the members passed on 28/07/2016 from 01/04/2019 till the date of this meeting."

**9: TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION WITH OR WITHOUT MODIFICATION(S) AS AN ORDINARY RESOLUTION:**

**"RESOLVED THAT** the Company do hereby approve in terms of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration of ₹80,000/- (Rupees Eighty Thousand only) plus out of pocket expenses payable to M/s Aruna Prasad & Co., (Firm Registration No. 100883), Cost Accountants for the cost audit to be conducted by them of the cost records of the Company for the financial year 2019-20."

By Order of the Board of Directors  
for **SURYALAKSHMI COTTON MILLS LIMITED**

Place : Secunderabad  
Date : 30th May, 2019.

**E.V.S.V.SARMA**  
COMPANY SECRETARY

**Notes:**

1. The register of members and share transfer books will be closed from Saturday, 21<sup>st</sup> September, 2019 to Monday, 30<sup>th</sup> September, 2019 (both days inclusive) for the purpose of Annual General Meeting.
2. A member entitled to attend the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. A person can act as Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital may appoint a single person as Proxy and such person shall not act as Proxy for any other person or shareholder.
3. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
4. The shareholders desiring any further information as regards the accounts are requested to write to the Company so as to reach it at least one week prior to the date of the meeting for consideration of the management to deal at the meeting.
5. (i) Unclaimed dividends of the following years will be transferred to the Investor Education & Protection Fund set up by the Central Government on the dates mentioned against them:

<b>Year</b>	<b>DATE OF DECLARATION</b>	<b>DUE FOR TRANSFER ON</b>
2011-12	29/09/2012	05/11/2019
2012-13	28/09/2013	04/11/2020
2013-14	04/08/2014	10/09/2021
2014-15	29/07/2015	04/09/2022
2015-16	28/07/2016	03/09/2023
2016-17	28/08/2017	03/10/2024

Members who have not encashed their dividend warrants pertaining to the above years may have their warrants revalidated by sending them to the Registered Office of the Company. The details of unpaid and unclaimed dividend warrants lying with the Company as on date of last AGM, i.e. 29/09/2018 are available on the Company's website ([www.suryalakshmi.com](http://www.suryalakshmi.com)) as also on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)). (ii) Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") every year all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority after complying with the procedure laid down under the "Rules". Accordingly, the Company has already transferred to IEPF Authority, the unclaimed dividend for the year 2010-11 and the shares in respect of which Dividend has not been claimed from 2010-11 in compliance with the aforesaid "Rules". Members are requested to take note of the aforesaid newly notified sections of the Companies Act, 2013 and claim their unclaimed dividends immediately to avoid transfer of the underlying shares to the IEPF. The shares transferred to the IEPF can be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the "Rules".

6. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting. The members who have not cast their vote by remote e-voting shall be able to vote at the Annual General Meeting.
7. The members whose names appear on the Register of Members/ list of beneficial owners as on 20<sup>th</sup> September, 2019 are eligible to participate in e-voting on the resolutions set forth in this notice.
8. The Companies (Management and Administration) Rules, 2014 provide that the electronic voting period shall close at 5:00 PM, on the date preceding the AGM. Accordingly, the e-voting will be available at the <https://evoting.karvy.com>. The remote e-voting period will commence at 9:00 A.M. (IST) on Wednesday, 25<sup>th</sup> September, 2019 and will end at 5:00 P.M. (IST) on Sunday, 29<sup>th</sup> September, 2019. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by M/s.Karvy Fintech Private Limited, the agency engaged by the company to provide e-voting facility.
9. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date 20<sup>th</sup> September, 2019.

10. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
- In order to enable its members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolutions set forth in the Notice, the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot form, remote e-voting and voting at the AGM are deemed to have been passed at the AGM. Detailed instructions are printed on the Ballot Form for using the same.
12. The Company has appointed Mr. K.V.Chalama Reddy, Company Secretary in Practice (M.No. F9268, C.P.No. 5451), Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner.
13. The Login ID and Password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail ids with the Company/their respective Depository Participant along with physical copy of the Notice. Those members who have registered their e-mail IDs with the Company/their respective Depository Participant are being forwarded the login ID and password for e-voting along with process, manner and instruction by e-mail.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, mandates, nominations, power of attorney, bank details such as, name of the Bank and branch details, bank account number, MICR code, IFSC code, etc., to their DP's in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Karvy Fintech Private Limited in case the shares are held by them in physical form.
15. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Karvy Fintech Private Limited.
16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from April 1, 2019 except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company or Karvy Fintech Private Limited for assistance in this regard.
17. The Companies Act, 2013 provides for the facility of nomination to the members in a Company. Accordingly, members can avail the facility of nomination in respect of their shares held either singly or jointly. Members desiring to avail this facility are requested to fill up the prescribed nomination form and send the same to Registered Office of the Company. The forms are available at the Registered Office.
18. The shares of the Company continue to be listed on the BSE Ltd and on the National Stock Exchange and the Company has paid upto date all the listing fees to these exchanges.
19. The members are requested to bring their copy of the Annual Report with them at the time of attending Annual General Meeting.
20. A route map showing directions to reach the venue of the 56th AGM is given at the end of the Notice.

## STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### ITEM NO. 4 & 8 – REAPPOINTMENT OF SRI PARITOSH AGARWAL, MANAGING DIRECTOR AND RATIFICATION OF REMUNERATION PAID TO HIM.

Sri Paritosh Agarwal (DIN : 00008728) will retire at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Sri Paritosh K. Agarwal, aged 44, a Graduate, is the Managing Director of the Company (first appointment to the Board on 06/09/1994). He has adequate exposure in all the aspects of textile industry having acquired hands on experience in marketing, exports and production in the group Companies. He played a major role in setting up the Denim Division and building up the export business of the Company and has extensively traveled abroad and acquired deep knowledge of the International Markets.

One of the amendments made by SEBI to its Listing Obligations and Disclosure Requirements Regulations, 2015 requires the approval of members by way of a Special Resolution for the payment of remuneration to the Executive Directors of the Company in excess of 5% net profits of the Listed Company (where there is more than one Executive Director).

As the Company has declared a loss in its operations for the year, the ratification by the members in terms of the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been sought for the payment of existing remuneration from 01/04/2019 till the date of this Annual General Meeting.

The approval of the members is also being sought to continue payment of the same remuneration until the end of his term on 20/06/2020 in the event of loss or inadequacy of profits U/s.198 of the Companies Act, 2013 in terms of the Special Resolution already passed on 28/07/2016.

The terms and conditions of appointment of Sri Paritosh Agarwal shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Sri L N Agarwal, Sri Paritosh Agarwal and Smt. Padmini Agarwal are interested in this resolution.

No other Director / Key Managerial Personnel / their relatives is interested in the resolution.

Name of the Companies in which he is a Director/Chairman - NIL.

No. of shares held by Sri Paritosh Agarwal as on 31/03/2019 in the Company is -1478472.

### ITEM NO. 5 – RATIFICATION OF CREATION OF MORTGAGE

**A.** The title deeds of most the immovable properties of the Company have for long been held by IDBI Bank Ltd., Chennai, IDBI acting for itself and on behalf of other Banks. Some of the title deeds were held by State Bank of India (SBI), Hyderabad. It was felt that it would be convenient for SBI to hold all the title deeds at SBI, Hyderabad, SBI acting for itself and on behalf of all the Term Lenders and Banks. Accordingly IDBI handed over all the title deeds in its possession to SBI and in September, 2018 a fresh mortgage was created in favour SBI, SBI acting for itself and on behalf of other Term Lenders and other Banks for working capital facilities.

In view of the urgency of the matter the mortgage was created in favour of State Bank of India, Hyderabad pending approval of the members U/s.180 of the Companies Act, 2013. Therefore, the approval of the members by way of ratification of the action of the Company in creating this mortgage pending approval of the members is sought by way of Special Resolution and same is recommended by the Board for consideration of the members.

None of the Directors / Key Managerial Personnel / their relatives of the Company is interested in these resolutions.

**B.** The Company has been advised that the Company should enter into an agreement with a security trustee, who shall hold all the securities on behalf of all the lenders to simplify the arrangement and also to bring about an uniformity in security creation formalities. This arrangement is also expected to simplify compliance with the related procedures as only one document will be executed with the security trustee for any enhancement / reduction of facilities, etc. The Company has negotiated and finalized an arrangement with SBICAP Trustee Company Limited (SBICAP TRUSTEE) who are already extending these services to the lenders / borrowers.

Accordingly the Company appointed SBICAP Trustee as the Security Trustee and seeks the approval / ratification of the members for the mortgage to be created / created in favour the SBICAP Trustee.

The Board recommends both the resolutions for the members' approval / ratification.

None of the Directors / Key Managerial Personnel / their relatives of the Company is interested in these resolutions.

**ITEM NO. 6 - RE-APPOINTMENT OF SRI L.N.AGARWAL AS CHAIRMAN & MANAGING DIRECTOR.**

Sri L.N.Agarwal was appointed as Chairman & Managing Director for a period of 5 years w.e.f. 22.06.2014 on a remuneration of ₹4 lakhs p.m. plus perquisites. His remuneration was revised to ₹5 lakhs p.m. plus perquisites from 25/05/2016 to 21/06/2019. His term of appointment comes to an end on 21st June, 2019. The Nomination and Remuneration Committee has recommended the reappointment of Sri L.N.Agarwal for a period of 5 years at a remuneration of ₹5 lakhs p.m. and commission @ 2% plus perquisites w.e.f. 22.06.2019. The appointment by the Board is subject to the approval of the Members in the General Meeting by a Special Resolution as Sri L.N.Agarwal is aged more than 70 years and also of the Financial Institutions. The Board recommends his reappointment to the members for their approval.

Further one of the amendments made by SEBI to its Listing Obligations and Disclosure Requirements Regulations, 2015 requires the approval of members by way of a Special Resolution for the payment of remuneration for payment of remuneration to the Executive Directors of the Company in excess of 5% net profits of the Listed Company (where there is more than one Executive Director).

As the Company has declared a loss in its operations of the year, the ratification of the members in terms of the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been sought for the payment of existing remuneration from 01/04/2019 till 21/06/2019 to comply with the amended regulations.

The terms and conditions of appointment of Sri L.N.Agarwal shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Sri L.N.Agarwal, is the promoter founder of the Company and was also instrumental in floating the other companies viz., Suryavanshi Spinning Mills Limited, Suryajyothi Spinning Mills Limited and Suryalata Spinning Mills Limited and has vast knowledge of textile industry for

more than 5 decades and his experience and guidance is considered vital to the company's growth and hence the Board recommends his reappointment inspite of the fact that he has attained the age of 70 years.

Sri L N Agarwal, Sri Paritosh K Agarwal and Mrs. Padmini Agarwal are interested in this resolution.

No other Director / Key Managerial Personnel / their relatives is interested in the resolution.

**Names of the companies in which he is a Director - NIL**

No. of shares held by Sri L N Agarwal in the Company is 1364516.

**ITEM NO. 7 - RE-APPOINTMENT OF SMT. PADMINI AGARWAL AS A WHOLETEIME DIRECTOR.**

Smt. Padmini Agarwal was appointed as a Wholetime Director for a period of 5 years w.e.f. 27/05/2014 on a remuneration of ₹2 lakhs p.m. plus perquisites. Her remuneration was revised to ₹3 lakhs p.m. plus perquisites from 27/05/2014 to 26/05/2019. Her term of appointment comes to an end on 26th May, 2019. The Nomination and Remuneration Committee has recommended the reappointment of Smt.Padmini Agarwal for a period of 5 years at a remuneration of ₹3 lakhs p.m. and commission @ 2% plus perquisites w.e.f. 26/05/2019. The appointment by the Board is subject to the approval of the Members in the General meeting and also of the financial institutions. The Board recommends her reappointment to the members for their approval.

Further one of the amendments made by SEBI to its Listing Obligations and Disclosure Requirements Regulations, 2015 requires the approve of members by way of a Special Resolution for the payment of remuneration for payment of remuneration to the Executive Directors of the Company in excess of 5% net profits of the Listed Company (where there is more than one Executive Director).

As the Company has declared a loss in its operations of the year, the ratification of the members in terms of the amended SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been sought for the payment of existing remuneration from 01/04/2019 till 26/05/2019 to comply with the amended regulations.

The terms and conditions of appointment of Smt. Padmini Agarwal shall be open for inspection by the members at the Registered Office of the Company during normal business hours on any working day.

Smt. Padmini Agarwal, W/o. Paritosh Agarwal aged 44 years, graduate, has been actively involved in managing the day to day operations of Garment division as well as marketing the garments. It is therefore proposed to reappoint Smt. Padmini Agarwal as a Wholetime Director for the Garment division w.e.f. 27/05/2019 on a remuneration of ₹3 lacs p.a. and other perquisites as per the rules of the company. Her appointment has been recommended by the Nomination and Remuneration Committee. The appointment is also subject to the approval of the members by a special resolution in the ensuing AGM. The Board recommends her appointment to the members for their approval.

Sri L N Agarwal, Sri Paritosh K Agarwal and Mrs. Padmini Agarwal are interested in this resolution.

No other Director / Key Managerial Personnel / their relatives is interested in the resolution.

**Names of the companies in which she is a Director - NIL**

No. of shares held by Mrs. Padmini Agarwal in the Company is 971815.

**ITEM NO. 9 - RATIFICATION OF THE REMUNERATION OF COST AUDITOR**

Section 148 of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditors) Rules, 2014 provides for

the appointment and the remuneration of the Cost Auditor for the audit of the cost records of the company by the Board and the remuneration of the Cost Auditor is to be ratified by the members of the company. The appointment of M/S. Aruna Prasad & Co., has been approved by Board of Directors as Cost Auditor for carrying out cost audit for the year 2019-20 on a remuneration of ₹80,000/- plus out of pocket expenses. The ratification by the members to this remuneration is being sought in this resolution. The Board recommends the resolution for the approval of the members.

None of the Directors / Key Managerial Personnel / their relatives of the Company is interested in this resolution.

By Order of the Board of Directors  
for **SURYALAKSHMI COTTON MILLS LIMITED**

Place : Secunderabad  
Date : 30th May, 2019.

**E.V.S.V.SARMA**  
COMPANY SECRETARY





## **SURYALAKSHMI COTTON MILLS LIMITED**

**Registered Office:** 105, 6th Floor, Surya Towers, S.P. Road, Secunderabad 500 003.

**(CIN:** L17120TG1962PLC000923)

**Website:** www.suryalakshmi.com **Email:** slcmltd@suryalakshmi.com

**Ph.no.:** 040-27885200, 27819856, 27846854

# **ATTENDANCE SLIP**

I / We hereby record my / our presence at the Annual General Meeting of the Company held on Monday, 30th September, 2019 at 10.30 A.M. at Rajdhani Hall, Behind LIC & HDFC Bank, Near Paradise Circle (West), S.D.Road, Secunderabad - 500003.

<b>For Physical Holding</b>	<b>For Electronic Form (Demat) NSDL / CDSL</b>		<b>No. of shares</b>
	<b>DP ID</b>	<b>CLIENT ID</b>	
<b>NAME OF THE MEMBER / JOINT MEMBER(S) (IN BLOCK CAPITALS):</b>			

Please complete the attendance slip and hand over at the entrance of the meeting.

**Signature of the member/  
Joint member(s) / proxy**





## SURYALAKSHMI COTTON MILLS LIMITED

**Registered Office:** 105, 6th Floor, Surya Towers, S.P. Road, Secunderabad 500 003.

**(CIN:** L17120TG1962PLC000923)

**Website:** www.suryalakshmi.com **Email:** slcmltd@suryalakshmi.com

**Ph.no.:** 040-27885200, 27819856, 27846854

# PROXY

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):	_____
Registered Address:	_____
Email ID:	_____
Folio No / Client ID:	_____
DP ID:	_____

I/We, being the member(s) of.....shares of the above named company, hereby appoint

- Name:  
Address :  
Email ID :  
Signature : ....., or failing him/her
- Name:  
Address :  
Email ID :  
Signature : ....., or failing him/her
- Name:  
Address :  
Email ID :  
Signature : .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the Annual General Meeting of the company, to be held on Monday, 30th September, 2019 at 10.30 A.M. at Rajdhani Hall, Behind LIC & HDFC Bank, Near Paradise Circle (West), S.D.Road, Secunderabad - 500003 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

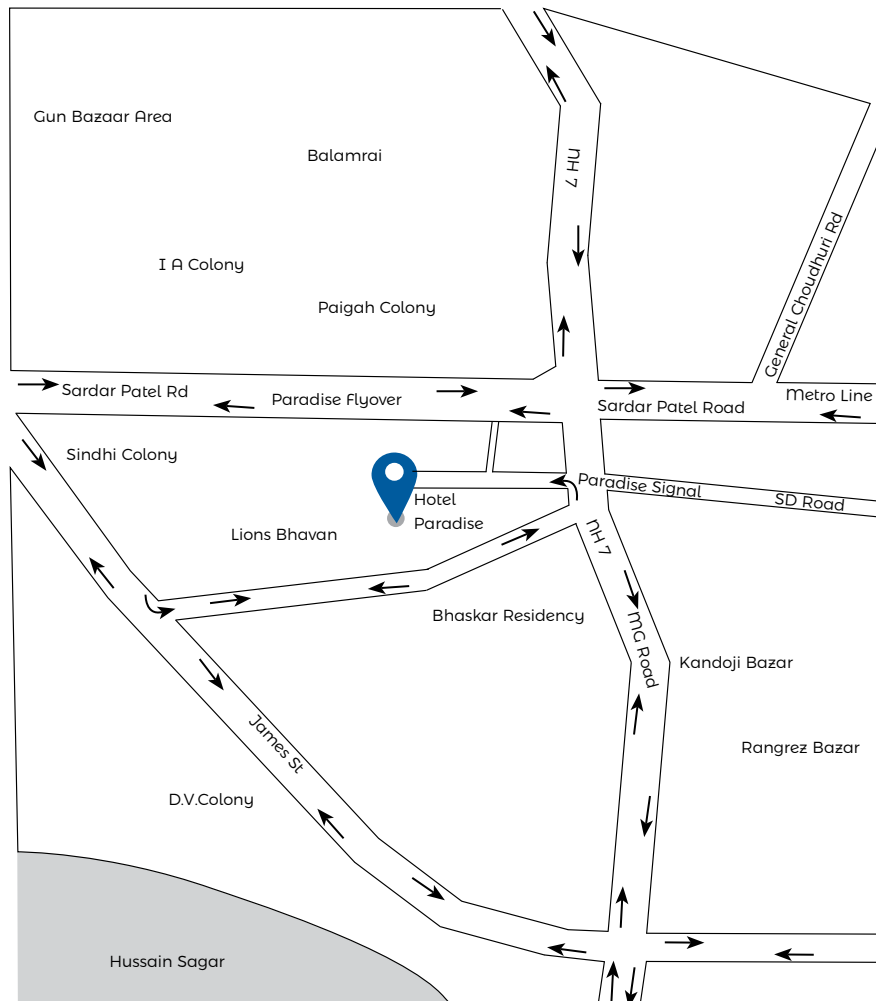
Signature of Proxy Holder(s):

Signature of Proxy Holder(s):

AFFIX  
REVENUE  
STAMP  
₹/-

Sl. No.	Particulars	FOR	AGAINST
1.	To receive, consider and adopt the audited statement of Profit and Loss for the year ended 31st March, 2019 and audited Balance Sheet as on that date and the reports of the Directors and Auditors thereon.		
2.	To declare dividend on 5% Non-Cum. Preference Shares of the Company for the year ended 31st March, 2019.		
3.	To declare dividend on 10% Cum. Preference Shares of the Company for the year ended 31st March, 2019.		
4.	Reappointment of Sri Paritosh Agarwal, Managing Director as a Director liable to retire by rotation.		
5.	Ratification of Creation of Mortgage		
6.	Reappointment of Sri L.N.Agarwal as Chairman & Managing Director.		
7.	Reappointment of Smt. Padmini Agarwal as a Wholetime Director.		
8.	RATIFICATION OF REMUNERATION PAID TO Sri Paritosh Agarwal,		
9.	Ratification of remuneration of Cost Auditor.		

### 56<sup>th</sup> Annual General Meeting. Venue - Route MAP



# ATTENTION SHAREHOLDERS !!

**Reg.: 1. Mandatory updation of PAN and Bank details against your holding**

**2. Request for dematerializing the shares held by you**

Pursuant to SEBI circular dated 20th April, 2018, shareholders whose ledger folios do not have or having incomplete details with regard to PAN and Bank particulars are required to compulsorily furnish the details to the RTA/to the company for registration in the folio.

## **ACTION REQUIRED FROM YOU**

You are requested to submit the following to update the records.

- Enclosed format duly filled in and signed by all the shareholders
- Self-attested copy of Pan Card of all the holders
- Cancelled Cheque leaf with name ( if name is not printed, self-attested copy of the pass book first page)
- Address proof (self-attested Aadhaar-card)

Please note that under the amended SEBI (LODR) Regulations effective from April 1, 2019 it has been mandated that **“transfer of securities shall not be processed unless they are held in the dematerialized form with a depository”**

In this regard, we advise you to get your shares dematerialized, if held in physical form, at the earliest possible, as here after no transfer of shares held in physical form will be processed. You may write to us at our e-mail id: einward.ris@karvy.com to know the detailed procedure for dematerialization of the shares

**Note: In case you have already updated PAN / BANK details please ignore this.**

For any queries or any assistance in this regard, please contact:

Suryalakshmi Cotton Mills Limited 6th Floor, Surya Towers, 105, S.P.Road, Secunderabad – 500 003. Ph: 040-30571600 / 27819857 Email : cs@suryalakshmi.com	M/s Karvy Fintech Pvt. Ltd. Unit : Suryalakshmi Cottton Mills Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032 Toll Free No.: 1800-3454-001 Email : einward.ris@karvy.com
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## **National ECS / Electronic Clearing Service (ECS) for Payment of Dividend**

To the shareholders,

The Company has introduced NECS / Electronic clearing Service (ECS) for payment of dividend. This would facilitate shareholders to obtain the dividend electronically and the payment would consequently be faster and loss of dividend instrument in postal transit would be eliminated.

Under this method, the Company would issue payment instructions to the Clearing House of Reserve Bank of India through the bankers of the Company. The clearing House would furnish to the service branches of the destination banks branch wise credit reports indicating the beneficiary details such as names of the branches where the accounts are maintained, the names of the beneficiaries account type, account numbers and the respective amounts. The service branch would in turn pass on the advices to the concerned branches of their bank, which would credit the beneficiary's accounts on the appointed date. An advice of remittance would be sent by the Company to the shareholders opting for electronic transfer.

Considering the benefits derived in NECS/ECS for payment of dividend, shareholders are advised to avail this facility. Securities & Exchange Board of India and the Ministry of Corporate Affairs, Government of India, have made it mandatory on the part of the companies to offer NECS/ECS facility, wherever the said facility is available.

Presently, NECS/ECS facility is available at several centres and the shareholders are requested to contact their concerned Bank Branches for further details.

Shareholders holding shares in physical form wishing to participate in this scheme may please fill in the NECS/ECS Mandate Form printed overleaf in legible English, sign and return the same to the Company immediately at its Registered Office /Registrar & Transfer Agent. Please note that the information provided by you should be accurate and complete in all respects and duly certified by your bankers. In lieu of the bank certification, you may attach a blank cancelled cheque or a photocopy of a cheque for verification of the particulars provided by you in the NECS/ECS Mandate Form.

The shareholders holding shares in electronic form in the depository system are requested to forward the NECS/ECS particulars to their depository participant for incorporation in their records. The depository would forward the required information to the Company at the time of payment of Dividend.

In case you require any clarification /assistance, please feel free to contact the Company.

**E.V.S.V.SARMA**  
**COMPANY SECRETARY**



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# ECS MANDATE

### Suryalakshmi Cotton Mills Limited

Name of the first / sole shareholder :

Ledger folio No. / Client ID :

### Particulars of bank account of first / sole shareholder

Name of the Bank :

Name of the Branch :

Bank Branch Address :

9 digit code number of the Bank and Branch

as appearing on the MICR cheque issued by the Bank :

Type of Account  Savings  Current  Cash Credit

Account No. (as appearing on the Cheque Book) :

Ledger No. /Ledger Folio No. (If appearing on the :

Cheque Book / Pass Book)

In lieu of the bank certificates to be obtained as under, please attach a blank cancelled cheque or a photocopy of a cheque issued to you by your Banker, for verification of the particulars provided herein.

Effective Date

I hereby, declare that the particulars given above are correct and complete. I undertake to inform you promptly any subsequent changes in the above particulars. If the payment transaction is delayed or not effected at all for reasons of incomplete or incorrect information or beyond the control of the Company, I will not hold Suryalakshmi Cotton Mills Limited responsible. I have read the option invitation letter and agree to discharge the responsibility expected of me as a participant under the Scheme.

Place :

Signature of the shareholder\*

\*

(\*as per specimen signature)

### BANKERS' CERTIFICATION

Certified that the particulars furnished above are correct as per our records.









**SURYALAKSHMI COTTON MILLS LIMITED**

105, 6th Floor, Surya Towers, S.P. Road  
Secunderabad - 500 003  
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